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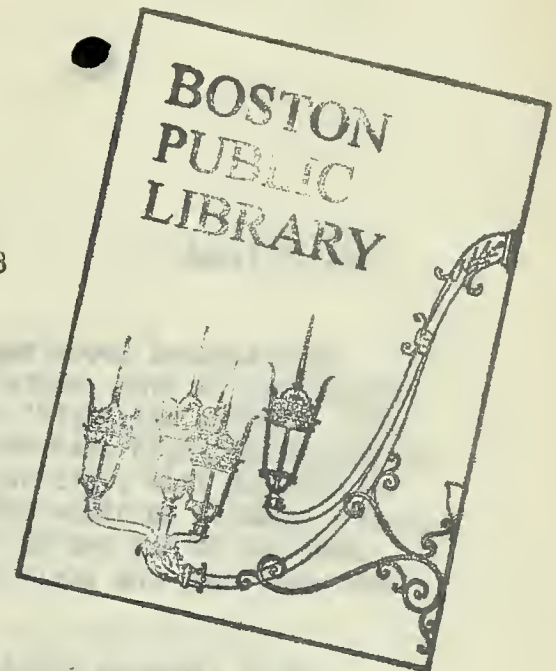
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9103-1143
April 6, 1973



Mr. Robert Beckham
Journal of Housing
The Watergate Building
2600 Virginia Avenue
Washington, D.C. 20037

Dear Mr. Beckham:

Re, our phone call sometime ago on a possible story by Bob Kenney, Director of the BRA, on our experiences with a privately-financed urban renewal project, here are a few salient facts on the situation.

As I mentioned, the experience we have had with Park Plaza seems rather pertinent in view of the Nixon administration saying that local initiative should be used in place of Federal programs in renewal. In fact, among other things, the Park Plaza story to date does raise some questions about the viability of privately-financed renewal, or such projects taking place without new attitudes and perhaps new legislation.

This is the story of a proposed privately-financed urban renewal project, and the three-year battle that has been fought by the Boston Redevelopment Authority to obtain necessary approvals for that project, so that the developers can undertake redevelopment that is vital to the economic future of Boston.

It is also the story of what can happen when a city, because Federal funds are not available for large-scale downtown renewal, turns to the private sector and offers to assist private interests undertake renewal. The city offered the rights of eminent domain held by its redevelopment authority and, in terms of funds, the relatively small amount involved in street improvements and utility work in the project area.

The project is Park Plaza, a 35-acre site situated between Boston's Back Bay and downtown-retail area. The plan is to construct high-income housing, a new convention hotel, an office tower and quality retail and dining facilities. At present the area is a mixture of pornographic movie houses, dating bars, parking lots, bus terminals and other assorted uses which add up to economic underutilization, at least, and blight, by most reasonable standards.



April 8, 1973

The Board of
Directors
The Boston Public Library
700 Washington St., Boston
Massachusetts, U.S.A. 02111

Dear Sirs:

My own office call sometimes are in a less than satisfactory manner. In our experiments with a privately-financed street renewal project, there are a few salient facts on the situation.

As I mentioned, the experience we have had with Park Plaza seems rather pertinent in view of the Nixon administration saying that local initiative should be used in place of Federal programs in renewal. In fact, along other lines, the Park Plaza story to date has raised some questions about the viability of privately-financed renewal, or such projects taking place without new attitudes and perhaps new legislation.

This is the story of a proposed privately-financed urban renewal project, and the three-year battle that has been fought by the Boston Development Authority to obtain necessary approvals for that project; so that the necessary and desirable development that is vital to the economic future of Boston.

It is also the story of what can happen when a city, because (perhaps) it has not available for large-scale downtown renewal, turns to the private sector and offers to assist private interests undertake renewal. The city officials are not to be faulted in their desire to assist private initiative and, in some ways, the situation that has developed in street improvements and other work in the project area.

The project is now in a 20-acre site situated between Boston's City Hall and Government Center. The plan is to construct high-income housing and a new commercial office building with parking facilities. The project is also to include a new office building and parking facilities. The project is also to include a new office building and parking facilities. The project is also to include a new office building and parking facilities.

R. Beckham/R. Memolo

April 6, 1973

Park Plaza, it must be pointed out, did not come about because some planner thought this might be nice for the area. Rather, part of the General Plan for Boston had included a concept known as the "high-rise spine". This was an attempt--long before it became fashionable--to have high-rise buildings confined to a certain axis with other sections of the city, most notable the Back Bay and Beacon Hill, areas in which no high rise would be allowed. Thus, the high-rise spine ran from the Prudential Center, at one end of the Back Bay, through Copley Square, into what would be Park Plaza and then down into the financial area of the city.

The Park Plaza area is the last link, the remaining segment, to be redeveloped along this plan. If and when completed, it would mean that Boston, within a period of 10 to 20 years, had completely redeveloped its core even while it preserved those historic districts and neighborhoods which bordered the axis of the high-rise spine.

Another interesting facet to the Park Plaza plan was that it evolved out of the first cutbacks the Federal government exercised on downtown renewal projects. Park Plaza was part of the Central Business District plan, a \$100 million renewal project slated for Boston's downtown, or rather its retail district. In 1968, the Department of Housing and Urban Development informed the city that it would not fund the Central Business District plan. Some funds were made available for two mini-projects in the CBD and other funds finally were provided for the city to move forward with the South Station project, which had also been part of the original CBD proposal. But the Park Square area--which will probably always be known as Park Plaza from now on whether or not Park Plaza is ever built--would have to be redeveloped by private interests.

What were the ramifications of this, in terms of renewal? Well, Park Plaza, because it was going to be done with private financing, was planned in such a way that would most attract investor interest and with the maximum marketability possible for such a project. Thus, the so-called Combat Zone parcels--the area of greatest blight--would be redeveloped after the three parcels which border on the Public Gardens and Boston Commons, generally considered to be the prime parcels of the project.

Support for the project was widespread in the business community, the media, and groups from nearby neighborhoods, particularly the Back Bay Federation. What opposition that arose came primarily from environmentalists who were concerned at the effect of shadows which might be cast on the Public Garden and Common from the high-rise buildings across the street and from assorted political figures who for various reasons often oppose the Mayor.

Blomley
June 2, 1973

Mr. [Name]

Park Plaza, it was proposed that it be not come under the same
planer thought this might be nice for the area. Further, part of the Central
Plan for Boston had included a project known as the "High-rise center". This
was an attempt to restore the historic buildings to have high-rise buildings
located to a certain area with other sections of the city, and would be
located on the same site. In fact, in fact, no high-rise would be allowed. This
the high-rise center from the Residential Center, at the end of the day,
day, Central City Center, into what would be Park Plaza and other areas.
The financial area of the city.

Another interesting factor to the Park Plaza plan was that it involved
one of the first cutbacks the Federal government exercised on downtown renewal
projects. Park Plaza was part of the Central Business District area. It
million renewal project started for Boston's downtown, in fact, its retail
district. In 1965, the Department of Housing and Urban Development informed
the city that it would not fund the central business district plan. Some
plans were made available for two mid-projects in the city and other funds
initially were provided for the city to have for years with the South Station
project, which had also been part of the original CDB program. But the
Park Plaza area--which will probably always be known as Park Plaza from now
on whether or not Park Plaza is ever built--will have to be redeveloped by
private interests.

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Plaza, because it was going to be done with private financing, was planned to
such a way that would attract investor interest and with the other
redevelopment possible for such a project. Thus, the so-called "look good
harder--the area of what was built--would be redeveloped after the other
projects which occur in the public garden and other common general pro-
jects to be the first projects of the project.

Support for the project was indicated in the business community. The
idea, the project was highly profitable, particularly the last day.
However, it was expected that these were primarily from investors and
the city's objective was to attract investors and not to attract
investors. The city's objective was to attract investors and not to attract
investors. The city's objective was to attract investors and not to attract
investors.

R. Beckham/R. Memolo

April 6, 1973

The City Council hearings on Park Plaza went from September to December, 1971, with approval coming at the end of the year.

Park Plaza would involve no Federal or state subsidy, but under Massachusetts law, urban renewal projects which will use eminent domain must be approved by the Commissioner of the State Department of Community Affairs. The approval is issued only after the Commissioner holds public hearings on the project.

A group of Park Plaza tenants--led primarily by three principal land owners in the area--launched their strongest legal battle against Park Plaza before and during these hearings before the state. In fact, there was an attempt made to have the state substitute the regular administrative hearings for hearings which would be adjudicatory in nature, complete with cross-examination and sworn testimony. The battle on that point reached the state Supreme Judicial Court, with the Court ruling that the hearings could not be an adversary proceeding.

In the meantime, administrative hearings had been held. Then, last June, the Department of Community Affairs rejected the Park Plaza plan.

The state agency questioned the completeness of the plan, its impact on the environment, the financial feasibility, the provisions for relocation and the extent of blight in the area.

I think I'm not being biased when I say that judgement met with puzzlement in many quarters. There was some speculation that the Governor wanted to get back at the Mayor (his opponent in the last campaign and a potential opponent in the next) and there was talk that Miles Mahoney, recently appointed commissioner of DCA, was a low-income housing proponent who would never approve a project that consisted primarily of luxury housing.

Immediately, the media and labor leaders joined with members of the business community in condemning the action of the state agency. Protest against the DCA rejection culminated in a march by 20,000 hard hats to the Capitol building, where they demanded that the Governor step in and overrule the decision made by Mahoney.

The Governor instructed the Commissioner of the Department to begin negotiations with the BRA. He wanted the two agencies to work out any differences so that the plan could be resubmitted and approved.

These negotiations continued over several months and last November the Governor announced that a resubmission would be made and that he presumed it would be approved.

July 10, 1954

W. Richard Van Meter

The first meeting was held on July 10, 1954, at the home of the subject, 1111...

Part of the meeting was devoted to the review of the subject's activities...

A copy of the subject's report on the meeting was prepared and distributed...

In the meeting, the subject's activities were discussed and the report...

The subject was advised of the importance of the report and the need for...

I am not being listed as a member of the subject's organization...

Members of the organization are advised to keep their names confidential...

The subject is advised to keep the organization's activities confidential...

The subject is advised to keep the organization's activities confidential...

R. Beckham/R. Memolo

April 6, 1973

There followed another round of public hearings and, again, the state rejected the plan. At this point the Governor asked the Commissioner of the Department, Miles Mahoney, to resign. He said the Commissioner insisted on a narrow interpretation of the state rules and that the Commissioner's personal philosophy was such that he was restricting economic development throughout the state.

So we arrive at this point in the sketchy history I'm sending you. We are preparing another submission on Park Plaza. We are convinced that the first two submissions should have been approved. We do think the Commissioner's personal feelings towards the plan caused him to marshal the evidence in such a way as to find the plan illegal.

But more to the point, an underlying problem with Park Plaza is that the state is using the criteria for Federally-funded projects in making the determination on the legality of Park Plaza. They say, for instance, that the Combat Zone parcels should be developed first and that would probably be the case if the Federal government was providing the funds to acquire the sites and prepare them for development. But with private investors providing all funds for the project, it is only logical that redevelopment begin on the parcels which are most likely to provide a return to the developers. The state says that specific plans for these Combat Zone parcels means the plan is incomplete and therefore they cannot approve Park Plaza. We, of course, counter with the argument that the developer has agreed to submit a detailed plan for those parcels within three years after he has begun development of the first parcel. We also contend that the development on those first parcels would have spilled over into the Combat Zone and made it more feasible for private investment to undertake redevelopment there.

So the argument goes, . . .we see Park Plaza as a plan which must be tailored to the peculiarities of privately-financed redevelopment. The state is applying the criteria it has used for all renewal projects up to now, renewal projects which have had the dollars supplied by the Federal government. At present, we are preparing another submission to the state, and we are confident that approval will be forthcoming.

What I am proposing, I think, is not so much a story on the pros and cons of Park Plaza, but I am saying that a story, in the first person by Robert T. Kenney, would provide some insight on the whole matter of privately-funded urban renewal and the difficulties which might ensue when a city tries to sponsor such projects.

Sincerely,

Ralph Memolo
Public Information Officer

Boston Redevelopment Authority

RM/jlg

There is a number of points of view on this subject. The first point is that the Government should be more active in the development of the state and that the Commission should be more active in the development of the state.

The second point is that the Commission should be more active in the development of the state and that the Government should be more active in the development of the state.

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The fifth point is that the Commission should be more active in the development of the state and that the Government should be more active in the development of the state.

Sincerely,

John F. Kennedy
Political Information Office